any statements be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (H.R. 3348) was read the third time and passed.

SECURITY ASSISTANCE ACT OF 2001

Mr. REID. I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 276, S. 1803.

The PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1803) to authorize appropriations under the Arms Export Control Act and the Foreign Assistance Act of 1961 for security assistance for fiscal years 2002 and 2003, and for other purposes.

There being no objection, the Senate proceeded to the immediate consideration of the bill.

AMENDMENT NO. 2695

(Purpose: To make managers' amendments to the text of the bill)

Mr. REID. I understand Senators BIDEN and HELMS have an amendment at the desk, and I ask unanimous consent it be considered.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, I am very pleased to urge Senate adoption of S. 1803, the Security Assistance Act of 2001. This is legislation that the Foreign Relations Committee reports out each year, either free-standing or as a title in our State Department authorization bill.

But the substance of the Security Assistance Act is anything but routine. It includes: foreign military assistance, including Foreign Military Financing, FMF, and International Military Education and Training, IMET; international arms transfers; and many of our arms control, nonproliferation and anti-terrorism programs.

The Security Assistance Act of 2001 covers those programs and includes not only routine adjustments, but also some significant initiatives. For example, a 5-year National Security Assistance Strategy is mandated, so as to provide country-by-country foreign policy guidance to a function that may tend otherwise to operate on the basis more of military or bureaucratic concerns.

Several provisions are designed to streamline the arms export control system, so as to make it more efficient and responsive to competitive requirements in a global economy, without sacrificing controls that serve foreign policy or nonproliferation purposes. This is a vital enterprise. U.S. industry depends upon the efficient processing of arms export applications, and U.S. Government cannot make up its mind expeditiously.

At the same time, however, an ill-advised export license could lead to sen-

sitive equipment getting into the hands of enemies or of unstable regimes. So there is a tension between the need for efficiency and the need not to make the mistake that ends up putting U.S. lives at risk. This bill addresses that tension by providing funds for improved staffing levels, information and communications to enable the State Department to make quicker and smarter export licensing decisions.

The Security Assistance Act of 2001 includes several new nonproliferation and antiterrorism measures. For example, the ban on arms sales to state supporters of terrorism, in section 40(d) of the Arms Export Control Act, is broadened to include states engaging in the proliferation of chemical, biological or radiological weapons.

Subtitle III-C of this bill establishes an interagency committee to coordinate nonproliferation programs directed at the independent states of the former Soviet Union. This provision is based on S. 673, a bill introduced by Senator HAGEL and me with the cosponsorship of Senators Domenici and LUGAR. It will ensure continuing, highlevel coordination of our many nonproliferation programs, so that we can be more confident that they will mesh with each other. The need for better coordination was cited in the report, earlier this year, of the Russia Task Force chaired by former Senator Howard Baker and former White House counsel Lloyd Cutler.

Section 308 of this bill encourages the Secretary of State to seek an increase in the regular budget of the International Atomic Energy Agency, beyond that required to keep pace with inflation, and funds are authorized for the U.S. share of such an enlarged budget. This organization is vital to our nuclear nonproliferation efforts, and its workload is increasing. The lack of a sufficient assessed budget has impaired its ability to hire and retain top-flight scientists, however, so the Committee believes that an increase in that budget is essential.

Subtitle III-B of this bill authorizes the President to offer Soviet-era debt reduction to the Russian Federation in the context of an arrangement whereby a significant proportion of the savings to Russia would be invested in agreed nonproliferation programs or projects. Debt reduction is a potentially important means of funding the costs of securing Russia's stockpiles of sensitive nuclear material, chemical weapons and dangerous pathogens, of destroying its chemical weapons and dismantling strategic weapons, and of helping its former weapons experts to find civilian careers and resist offers from rogue states or terrorists. The Administration is reportedly considering this funding option, and this bill gives the President authority to pursue it.

A few changes were made in a managers' amendment to this bill, which I would like to summarize for the record.

The managers' amendment adds, at the request of Senator FEINSTEIN of

California, a new section 206 on congressional notification of small arms and light weapons export license approvals. This section makes license approvals for commercial sales of such weapons, with a value over \$1,000,000, subject to the prior notice provisions of section 36(c) of the Arms Export Control Act. It also requires annual reports on end-use monitoring of such arms transfers, the yearly value of such transfers, the activities of registered arms brokers, and efforts of the Bureau of Alcohol, Tobacco and Firearms to stop U.S. weapons from being used in terrorist acts and international crime.

I want to commend Senator FEIN-STEIN for raising this issue, which is central to our efforts to stem wars and civil bloodshed in Africa and other regions. The United States leads the way on this issue, but we must do more. Senator Feinstein's proposals for U.S. policy and international negotiations in this field are contained in S. 1555, which has been referred to the Committee on Foreign Relations. I will work with her and with my House and Senate colleagues in the coming weeks and months to see whether we can agree on further steps on small arms and light weapons exports. Personally, I think we can do so.

The managers' amendment deletes subsection 221(c), and I am sorry that we had to do this. This subsection would have returned to Israel certain funds that Israel was forced to give back to the United States due to a general rescission last year. This provision was first proposed by Republican staff to the Foreign Relations Committee. when the Republicans were in the majority, but it was one that I heartily supported. The \$4,000,000 at stake may be a small amount of money, but each dollar we provide to Israel is given because it serves our national security interests.

Unfortunately, the chairman of the Appropriations Subcommittee on Foreign Operations and the chairman of the full Appropriations Committee objected strongly to this provision, not the least because it was scored by the Congressional Budget Office as an appropriation. I intend to press this issue in the coming year, and I hope that my good friends from Vermont and West Virginia will work with me to provide these funds. If we are ever to have a lasting peace in the Middle East, we must do all we can to give Israel confidence that the United States will continue to help assure that country's continued sovereignty and well-being.

Section 242, on funds for humanitarian demining programs, is amended in two respects. First, we have deleted any number for the Fiscal Year 2003 authorization for these programs. I welcome this change, because it comes with suggestions that the Foreign Operations Subcommittee may look favorably on an increase in that figure. I will work with that subcommittee on this matter, and I would hope that in

conference we could insert a higher figure for Fiscal Year 2003 than the \$40,000,000 that has been spent on humanitarian demining each of the last several years.

The second change is to delete subsection (b) of section 242. The Foreign Relations Committee, in its desire to increase funds for humanitarian demining, had suggested that the Secretary of State be authorized to provide up to \$40,000,000 from development assistance funds in addition to the \$40,000,000 authorized in the State Department's Nonproliferation, Antiterrorism, Demining and Related Programs account. The Foreign Operations Subcommittee informs us that this is not tenable, and I accept their point that this would have been robbing Peter to pay Paul. I think we have made our point, however, that more funds are needed for this program, which has an important political impact in addition to providing humanitarian benefits.

Another provision that is deleted in the managers' amendment is section 302, (on an interagency program to prevent diversion of sensitive U.S. technology). This was an effort to authorize the Secretary of State to institute new joint programs with the Department of Commerce and the Commissioner of Customs to improve our export control, as well as a program to use retired inspectors and investigators from the U.S. Customs Service and the Bureau of Export Enforcement in our diplomatic missions overseas. Another committee questioned our jurisdiction in this matter, and we did not have time to work out this matter today, so we are dropping the provision. The need remains, however, to make more use of the many talents of current and former Commerce and Customs personnel. Especially in our overseas missions, those people can make contracts with law enforcement and border control officials in foreign countries that traditional diplomats have a hard time achieving. So I hope that we can work something out on this issue in the weeks and months to come.

Another provision in the managers' amendment inserts into section 404, on improvements to the Automated Export System new subsections to extend the range of exporters that must file their Shippers' Export Declarations electronically and to increase the penalties for failure to file and for filing false information. An earlier version of these subsections was deleted by the Committee at the request of Senator ENZI of Wyoming, who spotted some faulty language. The version added to the managers' amendment was worked out with Senator ENZI and with the Department of Commerce, and I am pleased to thank my friend from Wyoming, who is a new member of the Foreign Relations Committee, but an expert in export control, for his sage counsel on this provision.

Section 602 of this bill, on non-proliferation interests and free trade

agreements, is deleted by the managers' amendment. There were questions from other committees as to whether this was within our jurisdiction. I hope we can resolve those concerns, because the fact remains that other countries' nonproliferation and export control laws and actions are relevant to the question of whether we should engage in free trade with those countries.

The managers' amendment inserts into section 701 authorizing certain ship transfers, a subsection authorizing the transfer of four KIDD-class guided missible destroyers to Taiwan. This provision was accidentially omitted from the bill at the Committee's business meeting. In fact, these ship transfers, and the others in this bill, have already been enacted in the defense authorization act. The Foreign Relations Committee is the committee of jurisdiction on this matter, so we do that in this bill.

One issue that is not addressed in this bill, but that is of considerable interest to Senator MILKULSKI and others, is the need for a Center for Antiterrorism and Security Training in the Department of State. We tried to get funding for this in Fiscal Year 2001, but the executive branch went to the wrong subcommittee of the Appropriations Committee and this center fell between the cracks. Now, as our Antiterrorism Assistance Program increases its course offerings for security personnel from friendly countries, the need for a training center is greater than ever. The Security Assistance Act may not be the best vehicle in which to address this issue, but I want to assure my good friend from Maryland that we work on this and that we will assure the State Department of our support for a new center.

Even with the managers' amendments this is a good bill that will contribute to our national security. I am happy to urge support of it and I am very pleased that my colleagues appear ready to approve it.

Mr. REID. I ask consent the amendment be agreed to, the bill be read the third time and passed, and the motion to reconsider be laid upon the table, with no intervening action or debate, and any statements be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 2695) was agreed to

(The amendment is printed in today's RECORD under "Amendments Submitted and Proposed.")

The bill (S. 1803), as amended, was read the third time and passed.

[The bill will appear in a future edition of the RECORD.]

TO PROVIDE GRANTS TO DRINK-ING WATER AND WASTEWATER FACILITIES

Mr. REID. I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 273, S. 1608.

The PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1608) to establish a program to provide grants to drinking water and wastewater facilities to meet immediate security needs.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Environment and Public Works, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. WATER SECURITY GRANTS.

- (a) DEFINITIONS.—In this Act:
- (1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.
 (2) ELIGIBLE ENTITY.—The term "eligible enti-
- (2) ELIGIBLE ENTITY.—The term "eligible entity" means a publicly- or privately-owned drinking water or wastewater facility.
 - (3) Eligible project or activity.—
- (A) IN GENERAL.—The term "eligible project or activity" means a project or activity carried out by an eligible entity to address an immediate physical security need.
- (B) Inclusions.—The term "eligible project or activity" includes a project or activity relating to—
 - (i) security staffing;
 - (ii) detection of intruders;
- (iii) installation and maintenance of fencing, gating, or lighting;
- (iv) installation of and monitoring on closed-circuit television;
 - (v) rekeying of doors and locks;
- (vi) site maintenance, such as maintenance to increase visibility around facilities, windows, and doorways;
- (vii) development, acquisition, or use of guidance manuals, educational videos, or training programs; and
- (viii) a program established by a State to provide technical assistance or training to water and wastewater facility managers, especially such a program that emphasizes small or rural eligible entities.
- (C) EXCLUSIONS.—The term "eligible project or activity" does not include any large-scale or system-wide project that includes a large capital improvement or vulnerability assessment.
 - (b) Establishment of Program.—
- (1) IN GENERAL.—The Administrator shall establish a program to allocate to States, in accordance with paragraph (2), funds for use in awarding grants to eligible entities under subsection (c).
- (2) ALLOCATION TO STATES.—Not later than 30 days after the date on which funds are made available to carry out this section, the Administrator shall allocate the funds to States in accordance with the formula for the distribution of funds described in section 1452(a)(1)(D) of the Safe Drinking Water Act (42 U.S.C. 300j–12(a)(1)(D)).
- (3) NOTICE.—Not later than 30 days after the date described in paragraph (2), each State shall provide to each eligible entity in the State a notice that funds are available to assist the eligible entity in addressing immediate physical security needs.
 - (c) AWARD OF GRANTS.—
- (1) APPLICATION.—An eligible entity that seeks to receive a grant under this section shall submit to the State in which the eligible entity is located an application for the grant in such form and containing such information as the State may prescribe.
- (2) CONDITION FOR RECEIPT OF GRANT.—An eligible entity that receives a grant under this section shall agree to expend all funds provided by the grant not later than September 30 of the fiscal year in which this Act is enacted.
- (3) DISADVANTAGED, SMALL, AND RURAL ELIGIBLE ENTITIES.—A State that awards a grant